

## Message Text

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ORIGIN AF-10

INFO OCT-01 ISO-00 EB-08 XMB-02 TRSE-00 CAB-02 CIAE-00  
COME-00 DODE-00 DOTE-00 INR-10 NSAE-00 FAA-00  
L-03 PM-05 NSC-05 SP-02 SS-15 AID-05 FRB-03  
ICA-11 OPIC-03 OMB-01 H-01 IO-13 /100 R

DRAFTED BY AF/C:RIMARCUS:LAR  
APPROVED BY AF/C:WLSWING  
EB/TCA/AVP:JROBERTS (INFO)  
EXIM:LGUADAGNOLI (SUBS)  
TREASURY/IDN:RBANQUE (INFO)  
-----118647 171437Z /47  
R 170012Z AUG 78  
FM SECSTATE WASHDC  
TO AMEMBASSY LIBREVILLE

C O N F I D E N T I A L STATE 208611

E.O. 11652: GDS

TAGS: EAIR, GB

SUBJECT: BOEING 747

REF: LIBREVILLE 2208

1. AF/C DESK OFFICER MARCUS CONVEYED TO BOEING REPS PETERS  
AND JAGER GOG CONCERNS AND HIGH PRIORITY IT ATTACHES TO  
EXPEDITIOUS CONCLUSION OF 747 DEAL. PETERS SAID THAT  
AMERICAN COUNSEL ENGAGED BY GABON (WHITE AND CASE) WAS  
CURRENTLY MEETING WITH BOEING AND FINANCING SYNDICATE THIS  
WEEK TO NEGOTIATE FINAL DETAILS OF LEASE/PURCHASE ARRANGE-  
MENTS. PRIMARY CONCERN OF SYNDICATE REMAINS INSURANCE  
QUESTION. MEMBERS OF SYNDICATE AND BOEING ARE MAPPING  
NEW FORMULA WHEREBY THEY WOULD APPLY FOR A CONTINGENCY  
90 DAY EXIMBANK WAR AND POLITICAL RISK COVERAGE WHICH  
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WOULD GO INTO EFFECT AFTER CANCELLATION OF COMMERCIAL  
POLICY (IF NEEDED). GOG IN TURN, WOULD AGREE TO BACKSTOP  
ANY PAYOUT BY EXIMBANK, THUS COVERING EXIM'S OWN RISK  
AND MEETING ITS ORIGINAL OBJECTION CONCERNING ABSENCE OF  
GOVERNMENT GUARANTEE. EXIM SAYS IT WILL CONSIDER THIS  
NEW PROPOSAL.

2. ONE NEW HITCH IS FORD MOTOR CREDIT'S RELUCTANCE TO CONTINUE ITS PARTICIPATION IN THE SYNDICATE BECAUSE OF

LACK OF FCIA COVERAGE. HOWEVER, PETERS BELIEVES THAT OTHER MEMBERS COULD FILL \$5 MILLION GAP IF FORD DROPS OUT. PETERS IS "CAUTIOUSLY OPTIMISTIC" THAT TRANSACTION WILL BE CONCLUDED SUCCESSFULLY; NEW TARGET DATE IS AUGUST 31.

3. MARCUS ALSO DISCUSSED MATTER WITH STUART STEINGOLD, WHITE AND CASE ATTORNEY REPRESENTING THE GOG, WHO WAS IN PETERS' OFFICE. STEINGOLD SAID THAT HIS FIRM WAS IN CONSTANT TOUCH WITH NTOUTOUME AND AIR GABON'S MESSAN, ADVISING THEM ON THE STATUS OF NEGOTIATIONS. ALTHOUGH HE UNDERSTOOD THEIR IMPATIENCE, HE EMPHASIZED THAT 747 DEAL IS QUITE COMPLEX, REQUIRING MUCH DOCUMENTATION AND PAPERWORK. STEINGOLD FELT BOEING AND SYNDICATE WERE PROCEEDING AS EXPEDITIOUSLY AS POSSIBLE GIVEN THE COMPLICATIONS INVOLVED. ACCORDING TO BOEING, EVEN SIMPLER TRANSACTIONS TAKE FROM 3 TO 6 MONTHS TO REACH FRUITION.

4. BOEING IS IN PROCESS OF APPLYING TO FAA FOR U.S. REGISTRATION. DOES NOT ANTICIPATE INSURMOUNTABLE PROBLEMS. WILL KEEP EMBASSY INFORMED.

5. QUESTION OF BENINESE DISTURBANCES DID NOT ARISE.  
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6. IN FUTURE TALKS ON SUBJECT WITH GOG OFFICIALS, YOU MAY WISH TO DRAW ON THE FOLLOWING POINTS:

-- REITERATE THE SYSTEMIC LIMITATIONS ON THE ABILITY OF USG TO SPEED UP NEGOTIATIONS INVOLVING PRIVATE AMERICAN FIRMS.

-- INDICATE, HOWEVER, THAT WE ARE SYMPATHETIC TO THE GOVERNMENT'S CONCERNS, AND THAT WE ARE INTERESTED IN SEEING A SATISFACTORY CONCLUSION TO THE TRANSACTION. WE WILL CONTINUE TO MAKE ALL APPROPRIATE EFFORTS TO BE HELPFUL TO THE GABONESE IN SUCH TRANSACTIONS, INCLUDING TRANSMITTING THEIR VIEWS AND CONCERNS TO THE PARTICIPATING PARTIES.

-- NOTE THAT THIS PARTICULAR TRANSACTION IS UNUSUALLY COMPLEX AND IS LIKELY TO REQUIRE A CONSIDERABLY LARGER AMOUNT OF TIME THAN NORMAL BEFORE IT CAN BE FINALIZED. VANCE

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## Message Attributes

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**Decaption Date:** 01 jan 1960  
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**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
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**Executive Order:** GS  
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